



October 5, 2021

Via Email: michael.boutte@la.gov

Michael Boutte  
Medicaid Deputy Director  
Bienville Building  
628 N. Fourth St.  
Baton Rouge, Louisiana 70821

Re: Request for Reconsideration of the Notice of Monetary Penalty to UnitedHealthcare  
dated August 23, 2021

Dear Mr. Boutte:

I am writing you about the monetary penalty that your department issued to United Healthcare Community Care Plan (“United”) on August 23, 2021. In the penalty letter, your agency states that United failed to reprocess and correct claims submitted by Christus Health. The Louisiana Department of Health (“LDH”) has assessed a fine in the amount of \$610,000, plus \$5,000 per day from August 22, 2021, until claims at issue are corrected.

Please accept this letter as United’s appeal of the monetary penalty. United would like for your agency to consider two requests: (1) that the deadline to submit an appeal be waived due to the circumstances created by Hurricane Ida, and (2) that the final monetary penalty assessed by your office be reduced to an amount that is proportional to the claims issue that Christus experienced.

1. Request for Waiver of the Appeal Deadline Due to Hurricane Ida

First, we acknowledge that this appeal request has been submitted beyond the period set forth in our contract. Under section 22.2 of the agreement, United had seven business days from the receipt of the penalty letter to submit an appeal. But that seven-day period occurred during Hurricane Ida. The hurricane created a situation in which our Metairie-based workforce could not respond within the appeal timeframe. As you are aware, many business activities all but ceased after Hurricane Ida due to outages and property damage experienced by employees. Our workforce was not even allowed back into our Metairie office location until September 15, well after the appeal deadline. Simply put, Hurricane Ida made it impossible for us to comply with the appeal timeframe. For that reason, we request that your department considering waiving the seven-day filing requirement in this instance.

2. Request that the Monetary Penalty be Reduced to an Amount Proportionate to the Claims at Issue

As of September 28, 2021, United has processed 5,619 claims for the three Christus TINs associated with this appeal during 2021. Of those claims, 730 had errors that required reprocessing.

The reprocessing of those claims occurred over the course of the second and third quarters of 2021. I have listed the paid amounts of the 730 reprocessed claims below:

Total paid, original claims:	\$113,481.38
Reprocessed claims:	<u>-\$138,899.54</u>
Net additional paid:	\$25,418.16

In contrast to the approximately \$139,000 in claims affected by the reprocessing effort, the sanction that United received of \$610,000 plus \$5,000 per day could result in a final penalty assessment of up to \$870,000. That potential fine is over six times the amount of the Christus claims affected, and 34 times the amount underpaid to Christus over a span of two quarters.

A penalty of up to \$870,000 for errors that resulted in an underpayment of \$25,418.16 does not seem proportionate. We respectfully suggest that the fine should align more closely with the value of the Christus claims that were affected. A penalty amount that accounts for the negative impact to Christus, but that is also commensurate with the actual financial value of the claims, would be a more equitable result than the current proposed fine. For that reason, we ask that the LDH consider exercising its discretion to reduce the penalty.

I thank you for considering our position on this matter. Please contact me if there is any additional information that I can provide that would help the LDH to evaluate these requests.

Sincerely,

A handwritten signature in dark ink, appearing to read 'Karl Lirette', with a stylized, flowing script.

Karl Lirette  
Chief Executive Officer

Enclosure